

## **Limpopo Department of Agriculture Budget Speech 2008/09, delivered by MEC Dikeledi Magadzi**

28 May 2008

Honourable Speaker, the African Congress (ANC) resolved during the Polokwane Conference in December 2007 that "there must be adequate support services for farmers in the form of inputs, that is tractors, fertilizers, chemicals and seeds; financing for agribusinesses and quality extension advisory services". In both the State of the Nation and the State of the Province Addresses the State President and the Premier re-iterated the need to increase the level of support for agriculture. The challenges of investment in the second economy require a holistic approach to ensure that the one transformation agenda is implemented. Agriculture remains a business that should be accorded the respect and attention it deserves, that will ensure that our communities can participate and derive economic benefits that avail themselves.

Agricultural Black Economic Empowerment (AgriBEE) is now law and involvement of willing and committed Agricultural (Agri) entrepreneurs is set. The key thrust of this framework is to assist the government to fight poverty and joblessness through sustainable business oriented and profit-based mechanism. The launch of AgriBEE coincides with such rough and tough times as we currently experience some of the high consumer food prices. The world-over, nations and governments are grappling with the cost of food.

At a glance, it may seem that the agricultural sector is culpable. However, it is a known fact that farmers are price takers within the value-chain. The current world food crop shortages are as a result of many inter-dependent factors such as: increased food demand in China and India; sharp increases in world's oil and energy costs; competition of food crops; high and increasing agricultural commodity prices; changing lifestyles and rapid urbanisation in most countries.

Increasing commodity prices are a welcome act for farmers. High and increasing food prices spells doom for all consumers. High and increasing energy and oil costs as well as high interest rates are a bad combination that when there are no sustainable social-safety-nets, the most vulnerable become desperate. Poverty is a result of lack of capacity and lack of access to any set of resources, being productive ones or cash to enable one to acquire goods.

It should be noted that neither farmers nor consumers are directly responsible for the current high food price conditions. Response to high commodity prices by farmers can only lead to lower commodity prices in the medium to long term. The law of supply and demand always seeks to correct short-term market imperfections. This suggest that investigations must be targeted at processors, manufacturers, retailers and wholesalers to get to understand the cost structure that leads to such alarming food price increases. We support the pronouncement made by the ANC at the Polokwane Conference that more support for farmers will assist in minimizing the food shortage issue and thus bringing food crop prices to reasonable levels.

A brief review of key agricultural indicators suggests that the sector is still not in good condition. Beside the good rains for the greater part of the year, farm investments in the country are reported to have declined significantly since

1996. This situation can be attributed to the settlement of land claims for most commercial white farmers. New farmers are however, not assisted to purchase working tools and working capital to sustain or even increase the productivity of the properties they inherit. This is an unintended outcome of policy. It is now being reviewed to enable the Land Affairs Department to purchase properties as going concerns. The situation will certainly be reversed over a shorter period.

The involvement of the Land Bank and the Industrial Development Corporation (IDC) in the agribusiness value chain is in greater demand than it used to be in order to build the much needed capital and production base with sound business standards.

As a department, we support the Tripartite Alliance's concern about the devastating impact of rising food prices on our people. We furthermore support the Alliance's call for urgent consideration of the following measures, namely:

- \* removing value added tax (VAT) on a wider range of basic food,
- \* revamping and increasing financial allocations to the school feeding schemes, and
- \* subsidies to cushion the effect of price rise on the poor in a manner that does not enrich food manufacturers.

Land and agrarian reform programmes must be radically speeded up, so that more land can be made available for food production to ensure food security. This must however, be matched by commensurate capacity of the Departments of Agriculture and their development agents to deliver appropriate services. We also support the calling of a summit on high food prices and the rising cost of living on South Africans for proposed date of 17 May 2008.

Within the province, we have embarked on a campaign against ignorance of food safety, nutrition and household production. These measures will ensure that our people take the responsibility to produce basic food in their backyard gardens and food plots or community gardens to lessen the impact of high food prices. The Departments of Health and Social Development, Agriculture, Local Government and Education are intensely working on the Campaign Plan.

Honourable Speaker, as in the previous years, I wish to register our achievements and performance for the 2007/08 budget.

Compared to the past four years, our budget performance for the 2007/08 has only done better than the 2006/07 which was at 90,40 percent. For the 2007/08 the department could only manage an overall expenditure of 91,40 percent. A mere one comma four percent more than the 2006/07 budget.

We are still extremely exposed and challenged on the technical planning capacity in engineering, natural resource management, agricultural statistics, agricultural economics and veterinary areas.

Honourable Speaker, for the year ending as at 30 March 2008, the performance of specific programmes is as follows:

- \* Administration has spent about 96,50 percent of its allocation.
- \* Sustainable resource management spent 89,1 percent of its allocation.
- \* Production technical support services realised 89,1 percent expenditure.

- \* Veterinary services spent 95,0 percent of their budget.
- \* Technology research and development spent 87,8 percent of their budget.
- \* Agribusiness has realised a 105,3 percent spending.
- \* Structured agricultural training spent 101,8 percent.

These programmes collectively constitute the achieved 91,4 percent spending of the department. Budget cuts in order to manage the province's overdraft and subsequent austerity measures adopted by the Executive Council had a negative effect on the performance of our budget.

For the 2008/09 financial, the department provided R5,8 million for bursaries in agricultural related courses for 119 students. At the same time, the department hired 175 interns in both district and head offices as part of the Department of Public Service and Administration (DPSA) compliance. We have also placed thirty six (36) students in experiential training since January 2008.

Since the appointment of 26 Local Agricultural Municipality Managers in February 2006, planning and integration of agricultural projects with the Integrated Development Plan (IDP)/Local Economic Development (LED) processes have since improved.

The department has further re-structured its organogram to address the capacity and numerical challenges faced in service delivery. The municipality focus has been taken a step further by re-aligning the district offices and reducing them to an equivalent of a Local Municipality. This was done to remove the "post-office" role so vividly played by the administrative District Offices. Our delivery tactic of focusing on Local Municipalities compelled us to improve and enhance Local Municipalities who are now the spending core areas of the department's budget with all projects anchored in each Local Municipality. Various officials either as senior manager, middle managers are managing a cluster of local municipalities to ensure better service delivery.

There are two District General Managers who are overseeing two regional clusters, namely, Eastern (Mopani, and Vhembe) and Western Cluster (Sekhukhune, Waterberg and Capricorn). It is the Department's view that this re-configuration will deliver better and faster for our clients. This is intended to improve our capacity to plan and respond to the farmers needs taking into account the principles of Batho Pele.

### **Municipality focus**

On Agronomic Research and Development Innovation, the department has embarked and achieved strides on a number of projects that includes; dry beans, community based maize seed production (ZM421 and ZM521), guar beans, indigenous knowledge systems, livestock and bio-diesel from sunflower only. Like all forms of investment, research, innovation and knowledge development are long term and our farmers in future will benefit immensely. About is budgeted for the 2008/09 financial year.

On household food production program, 1 800 households received production input packs that varies from family to family at the cost of R5 million targeting the three categories of production packs, namely egg production layer chickens, vegetable

packs with water storage drum and dairy heifers. The projects will receive R6,5 million in 2008/09. The department has appointed the Independent Development Trust to assist in implementing the food security projects for the forthcoming year.

Comprehensive Agricultural Support Program (CASP) continues to complement the much needed support for our infrastructure. With a budget of R62 million, in the last financial year we managed to construct ; 790 kilometres of fencing in all districts 20 irrigation farming units 23 earth dams 12 Dipping tanks 16 poultry houses, and 12 stock watering points.

CASP support will be equivalent to R78 million for the 2008/09 financial year. As in the previous year, proportional allocation is that 75 percent is for Land Reform projects, 10 percent for Poverty Alleviation projects and 5 percent for disease control infrastructure backlog in communal areas.

Veterinary services are regulatory and will continue to be conducted. The services to be rendered include vaccinations which will target cattle vaccinated for anthrax (420 000 animals) and for Foot and Mouth Disease (FMD) (74 000 animals), dogs and cats vaccinated for rabies (140 000 animals), heifers vaccinated for brucellosis (80 000 animals).

Other services to be rendered during the financial year include the quarterly inspections of 84 abattoirs in the province and the construction of 170 km of (ZM421 and ZM521), R5 million, R6,5 million, R62 million 790 km of fencing in all districts 20 irrigation farming units 23 earth dams 12 dipping tanks 16 poultry houses 12 stock watering points bio-security and disease control fence in the Giyani and Thulamela municipalities for R5,3 million.

The integrated poultry development strategy in support of the white meat cluster received a cash injection of R6,3 million in the last financial year and a further R30 million has been set aside to support poultry development in this financial year. The strategy is anchored on our massification approach and thirteen massive (one 30 000 and twelve 40 000 capacity) poultry houses were developed in the previous financial year. This financial year's R30 million has been set aside for development of various CASP projects.

As a fore-runner in the massified poultry development, the province has become a national field school. As I speak, there are ten female farmers from KwaZulu Natal who arrived in the province on 13 May to gain hands on experience working alongside our farmer Mme Gugu Thembe for the duration of a five week chicken rearing cycle.

The integrated poultry projects are also coming to fruition with the first slaughter of chickens at the Lebowakgomo abattoirs occurring this past Tuesday the 13 May 2008. We have finally found a serious strategic investor Quality Chicks (Pty) Ltd) who understand the poultry business and have committed themselves to invest in the broiler industry in the province. Mr Motsepe and partners, we wish you all the luck in this industry and you have our support.

The relocation of broiler farmers from Dwaalkop farm to Badfontein farm in Lebowakgomo is on course and both the Agricultural Rural Development Corporation

(ARDC) and Lonmin has budgeted R20 million rand to build seven new 40 000 broiler-units to be completed by November 2008.

Running parallel to the integrated poultry project is an intensive feasibility study for the total value chain integration of the industry for black farmers. Data collection and profiling of the industry in Limpopo has already started and will be finalised by end of June 2008. The outcomes will confirm the establishment of a white meat cluster in Limpopo.

The pace of land redistribution has been increased by about 16 719 hectares as compared to the previous year. Of the total hectares delivered, 60 percent has been contributed by land acquired through the Proactive Land Acquisition Strategy (PLAS). One hundred and forty-eight (148) farmers have become care-takers on the 9 075 hectares (13 farms) of state acquired land for an initial period of one year while arrangements are being made for them to purchase the farms through Land Redistribution for Agricultural Development (LRAD). Two hundred and thirty-five (235) people, most of whom are family units benefited directly through LRAD during this year.

Restitution remains a key land reform program to deliver land to our people. In the interest of fast tracking the restitution process, the department has seconded officials to the Regional Land Claims Commission (RLCC) since 2004 and currently we have 11 officials still working at the RLCC. The deterioration of biological assets between gazetting and actual purchase remain a challenge to both the commission and the department and efforts are being made to fast track settlement of all claims in the interest of the sector. These include proactive land acquisition, instituting expropriation where necessary and assisting intra-tribal claimants to resolve their issues faster.

The most challenging and high value projects of Levubu and Hoedspruit have been settled (all be it in part) to the eight (seven in Levubu and one Hoedspruit) land claimant communities namely: Tshakhuma, Ravele, Tshitwani, Masakona, Shigalo, Ratombo and Tshivhazwaulu and the Moletele communities respectively. The beneficiaries have entered into business and operational agreements with strategic investors, Umlimi and South African Farm Management (SAfm) in Levubu and with Strategic Farm Management and Chestnet at Hoedspruit. Shareholders and lease agreements have been signed and Board members representing the communities and the partners have been appointed, with the first Board meetings having taken place during the first quarter of 2008.

The department has just finalised a stakeholder' meeting with all strategic investors to share the experiences of the few years we had, and to express how the policy on the model can be fine-tuned. The Stakeholders' Conference clearly indicated that communities are not fully in charge of their projects' operations, capacity is not being fully developed, financial statements are not fully grasped and this creates tension when costs rise and the projects are not seeing profits.

As more high value projects are yet to be restored, the department will embark on a forensic audit of all operating companies as well as up-scaling training prioritising the Board Members who represent the interest of the communities in the agricultural businesses in an effort to fine-tune the strategic investor model. The process will be monitored quarterly to ensure transparency and instil good governance.

In dealing with the scarcity of irrigation water, which remains a challenge for the industry, financial assistance was obtained from the Department of Water Affairs and Forestry (DWAFF) during 2007/08 to the tune of R26 million towards purchasing a portion of the Blyde Irrigation pipeline which supplies irrigation water to the restored properties at Hoedspruit.

Without this support from DWAFF towards small farmer development, the Moletete community would have inherited a liability and would have had to pay a heavy levy to Rand Merchant Bank, the financier and 'owner' of the Blyde irrigation pipeline.

Our collaboration with Limpopo University and the Independent Development Corporation (IDC) on the Nguni Cattle Project has finally delivered. We are happy to announce that, we are the first in South Africa to register a Nguni stud under these conditions. Our name is Thabakgone Nguni Stud and we will be known world-wide as such. This will keep and increase the value of all Nguni cattle we will breed under the scheme and our Nguni cattle owners can be proud that traceability will never be their concern when selling the animals in future. We have distributed over cattle worth R1,9 million in the previous year.

These cattle went to farming groups at, Kwa-Maquze in Moutse; Dithamaga in Greater Tubatse, Maboi-three Community and Monyane CPA in Polokwane Municipality and Mmarobala-O-Itsoše and Makgato CPA's in Molemole Municipality. For the 2008/09 financial year the department will distribute over R310 000 worth of Nguni cattle to three individual farmers and one Community Farming project of Ga-Kgoši Kibi. Each project will receive 30- herd-of cattle to ensure critical mass production within a five year cycle.

This project is being run by a Nguni Cattle Trust of which the LDA, IDC and Limpopo University are trustees. The IDC has invested about R2,5 million to date. The Limpopo University provides the holding and inspection pens before cattle are moved to targeted clients and the LDA has invested over five million rand in infrastructure since the project started in 2006.

Honourable Speaker, we have implemented 54 LandCare projects since the programme's inception. Some of the projects that received international recognition through sustainable approaches were Koringkoppies, Lwatshatsimu and Lake Funduzi.

Koringkoppies is a water harvesting project focusing on water conservation, soil conservation and livestock care. Water saving technologies was developed with the assistance of the Agricultural Research Council (ARC).

The Lwatshatsimu project is aimed at soil conservation on high mountain terraces and vertiva grass has been planted to arrest erosion. At the same time communities are encouraged to plant permanent fruit trees to ensure the top soil is not disturbed.

At Lake Funduzi, the aim is to conserve the bio-diversity (plant and animal species), protection of the wetlands and the hot-springs for future sustainable use.

My department plays a crucial role in the promotion of sustainable use of natural resources which is achieved through Land use Planning, Soil Conservation and

LandCare. In the 2007/08 financial year a total of three projects Mphahlele, Mutale-Nwanedi and Leolo were added to the six LandCare projects which were initiated in 2006/07 as LandCare projects to be funded 2007/08.

The LandCare allocation for 2007/08 was eight comma seven million rand and was used for the construction of 98 km fencing, 34 awareness raising campaigns, 85 gabion structures constructed, drilling of three boreholes, 70 km fire belt, 14 institutional structures established, 12 ha cleared of alien invasive and bush encroachment, 120 check dams constructed, six earth dams de-silted, training and capacity building to restore degraded areas to increase agricultural production.

The 1 093 ha of conservation structures constructed at Lepellane Area wide LandCare project in collaboration with the Japanese International Co-operation Agency (JICA) saved a lot of our natural resources during the past rainy season. Three thousand (3 000) trees have been planted in Tjatane village as part of the biological conservation measures. The trees are all indigenous and include amongst others marula trees.

The budget for 2008/09 is eight comma three million rand and will among other things be used to implement the Lekala junior LandCare project in Moutse which will include school food production project.

Honourable Speaker I am pleased to announce, that we will be hosting the fourth biennial National LandCare Conference and the Regional LandCare Committee meeting in Limpopo from 29 September 2008 to 3 October 2008. It is expected that of the 500 delegates to be hosted at the conference, 200 of them will be Junior LandCare members. There have been major developments in the Revitalisation of Small holder Irrigation Schemes (RESIS). In RESIS, five bulk services supply projects, and eleven in field irrigation projects were executed by service providers. The following projects have been completed and are operational.

Bulk services projects completed include:

- \* Part replacement of the canal with a pipeline from the Metz dam to the irrigation schemes at cost of seven comma one million rand.
- \* 5,33 km of pipeline from Vaalkop to Mapela irrigation scheme at the cost six comma zero five million rand.
- \* Upper flag Boshielo pipeline in Marble Hall municipality connect the dam with the canal that supplies all the schemes below the dam, costing us six comma one million rand.
- \* Repair work was done on the canal including siphons from the Lepelle river into the canal at the cost of R800 000.
- \* Makuleke irrigation scheme in Thulamela municipality at a cost of R15,05 million.

Infield irrigation installations and repairs were done on the following schemes:

- \* Makuleke irrigation scheme.
- \* The Tompi Seleka Irrigation Training facilities, these include different irrigation systems to give farmers enough exposure to all systems during the training. This is part of the development of the agribusiness academy.
- \* Installations were completed in Lwamondo farm which is a irrigation training

facility of Madzivhandila training centre.

\* 125 ha of Homu irrigation schemes at a cost of nine comma two million rand.

\* 440 ha of irrigation in Praktiseer irrigation scheme in Tubatse costing R18 million.

Planting of potatoes for Simba contract has started in April 2008.

\* 30ha of the Strydkraal phase has been completed at a cost of two comma one million rand.

\* 16ha in Metz were completed, the remainder which was near completion was vandalised.

\* Other schemes that have been completed but were put back by the 2008 flood damages include Strydkraal, Phetwane, Mogalatšane, Krokodilheuwel, Setlaboswane, and Elandskraal in Sekhukhune. Repair work and conservation is progressing from April to July 2008 as the lands are drying to be accessible.

Strategic investors have been engaged in Makuleke and potatoes have been planted for Simba South Africa and the first crop harvested last year, these farmers have made good profit in their first year of production. At Tšwelopele/Praktiseer irrigation scheme a strategic investor has been appointed and potato is being planted now whereas twenty (20 ha) of mealies have been planted under the floppy sprinkler system. All these schemes that were revitalised will be operational. This work has not been without challenges. Vandalism has been the most worrying. Metz irrigation scheme was burnt down just after completion. Community conflicts have made it very difficult to finalize and operationalise the scheme. Vandalism of electrical connections delayed the completion of the Upper Lepelle schemes and Praktiseer. Some were even vandalised twice in one season. Whilst Eskom has problems of delivering the required capacity, delays in responding to the applications for connection delayed the progress in Strydkraal and the Upper Flag Boshielo schemes.

Some schemes are delayed due to either reduced or unconfirmed water allocation to agriculture. We are working together with DWAF through the co-ordinating committee on agriculture water to confirm the original allocation of water for these schemes and register schemes as water users.

Only two bulk services projects will be completed during 2008/09 financial year that includes the Lower Canal along the Lepelle and the electricity supply line in the Tshiombo Schemes. During this financial year, Mapela (Waterberg), Mbahela (Vhembe) and Hereford (Sekhukhune) schemes will be implemented. About R70,9 million will be spent on these three plus the two continuing bulk infrastructure activities on all other existing projects.

The Agriculture and Rural Development Co-operation (ARDC) has also been given passage to implement a new mandate of fostering AgriBEE objectives, agribusiness development planning, providing agricultural financing, food security project planning and fostering agriculture LED programming. economic planning professionals and food security planners will be appointed to manage this new responsibility. The ARDC operational budget will be around four million rand for the current financial year.

The ARDC has successfully assisted in the revitalisation of the Tshivhase Tea Estates. All key technology for tea processing, factory refurbishment, tea packaging technology have been procured and our first loose tea will be produced on 125 grams; 250 grams and 500 grams packages as from 1 August 2008. Tshivhase tea estates are our biggest employer project in the province with over 2 450 workers at one

point. This project is on its way to become one of the sustainable projects in the province after the implementation of our value-chain vertical-integration approach.

The tea estates have acquired the services of a SADC-based company, the Tanzanian Tea Blenders as strategic investors for regional and international marketing of black tea. This investor also brings organic coffee as a collateral brand to the black tea brand. They already found market for our tea in the United Arab Emirates (UAE) and discussions are ongoing to conclude deals in Iran which has over 74 million people who consume over 310 million kg's of tea a year.

The department has reached a co-operative agreement with the Northern Cape Department of Agriculture to develop market-access relations with the Rooibos growers in Nieuwoudtville, Calvinia. Over 500 tons has already been purchased for blending and packaging for a special Rooibos collateral brand along the black tea. The Tshivhase tea estates will thus sell three products from day one, namely black tea, coffee and Rooibos under one brand name. This is done to assure our customers of quality and a range of products to choose from. Government departments, parastatals and the corporate clients would be the first to be approached for marketing purposes. The Limpopo government has invested R74 million in the previous year and will invest over R35 million in this financial year.

Limpopo is also on the forefront to assist in the revitalisation and commercialisation of all the other six black tea estates in four provinces namely Mpumalanga, Eastern Cape, KwaZulu-natal and Northern Cape Rooibos. Discussions are ongoing with the Department of Trade and Industry (DTI), National Department of Agriculture and other agencies to accept our strategy and thus bring back the other 6 000 jobs lost in 2004 when the then owner, Sapekoe (Pty) Ltd disinvested.

The department has also responded to calls by farmers to re look at our support for mechanisation. We have now appointed ABSA Bank as our Mechanisation Revolving Credit Access Scheme (MERECAS) financier and farmers should approach the department to get procedures, requirements and the modus operandi of this support mechanism.

With a budget of only R20 million, we would like to see entrepreneurs utilising this facility because there is a high demand for farming implements from irrigation scheme entrepreneurs, land reform beneficiaries and independent farmers, it is first come first served! Farmers are free to buy any tractor of their choice as long as all requirements, including training on how to operate a tractor are met.

The Limpopo Agribusiness Development Academy (LADA) in Madzivhandila and Tompi Seleka Farmer Training Centres was launched by the Premier in September 2007. Eleven million rand (R11 million) was invested on irrigation infrastructure at Tompi Seleka to bring them to required training standards. The objective of the Agribusiness academy is to enhance and develop the agri-business skills of farmers and rural agribusiness entrepreneurs in line with our vertical integrated value chain approach for all our commodities in the province.

The training includes agro-processing, tractor operations management, irrigation water management, inter alia. So far a total of thirteen (13) training programmes have been undertaken, with 199 participants being trained during the financial year

07/08. The academy will continue with demand led skills development programmes and an amount of R20 million has been allocated for the current financial year.

Agri Tourism is the latest business development initiative by the department. In the last financial year the Ha-Makuya Agri tourism Development Initiative (HADI) became our first Agri Tourism project in Ha-Makuya Village, in Mutale municipality. An amount of one comma three million rand has been invested in the project to benefit a number of women involved in the project.

A total of thirty one job opportunities have been created. About seventeen women have been trained in various food processing and food preservation courses. The women's group in this initiative has been supported to start producing agricultural produce for the tourist camp, the Wilderness Camp in the Kruger National Park.

The department's allocation for the 2008/09 is R1 042 252 000 and will be distributed according to departmental programmes as follows:

**Summary of Payments and Estimates per Programme: Agriculture - 2008/09**

LDA Budget Programmes

Programme 1: Administration

R million: 223,436

LDA Budget Programmes

Programme 2: Sustainable Resource Management

R million: 126,746

LDA Budget Programmes

Programme 3: Farmer Support and Development

R million: 594,774

LDA Budget Programmes

Programme 4: Veterinary Services

R million: 17,593

LDA Budget Programmes

Programme 5: Technology Research and Development

R million: 30,394

LDA Budget Programmes

Programme 6: Agricultural Economics

R million: 13,353

LDA Budget Programmes

Programme 7: Structured Agricultural Training

R million: 35,956

Total Payments and Estimates:

1,042,252

Agriculture remains a serious business, and more so, with the current food price increases and cost-price squeeze, the industry is becoming very tricky and sometimes quite unpalatable, and thus we need tough, innovative and creative agribusiness entrepreneurs to match the new risks and make a mark to be able to compete with the best in the world. We are here to support where we can with the resources we have.

For many years we have been recognizing women farmers through the annual Female Farmer of the year competition and two years ago we launched the Aspirant Young Farmers of the year competition. Participants in these competitions reported that these competitions provide exposure to various aspects of farming and were a source of inspiration which led to a positive growth of their farming businesses.

Throughout these years we neglected to reward a valuable and indispensable partner in any farming business the farm worker. Lephalale Municipality became the first municipality to organise a farm worker of the year competition in the province. We applaud this noble initiative and call upon other municipalities to work closely with the department and agricultural unions to organise competitions of this nature in honour of farm workers who help grow the agricultural economy and feed the nation.

On behalf of the department and our province I wish to applaud the following sons and daughters of our province who has worked tirelessly, hand in hand with us in transforming the provincial agricultural sector.

- \* Members of the outgoing Limpopo Agricultural Advisory Forum(LAAF).
- \* Mr Athur Creighton the strategic investor at Makuleke, Tswelopele and Elandskraal irrigation schemes.
- \* Mr Anthony Rogers and Mr Leon De Villiers partners in Bushvalley Chicken Farms who has partnered with our broiler farmers.
- \* Mme Makgoro Mannyia of Ditubatse business enterprise the overall winner of the 2008 National Female Farmer of the year competition.
- \* Mme Rebecca "Beka" Ntsanwisi an outgoing member of LAAF who received the National Order of Boabab.
- \* Mr Spek Molebatsi from Zandbult Game Farm the winner of the inaugural Lephalale Farm worker of the year competition.

Honourable Speaker, I once again wish to take this opportunity to thank the Premier and Members of the Executive Council for continuing to support matters of agriculture, the Portfolio Committee on Agriculture for the vigilant oversight role they play and the farmers whose challenges allow us to shape and refine policy. The department has come a long way in establishing good practices and may I take this opportunity to thank all my staff for striving to make our efforts recognisable.

Honourable Speaker, it is still "Nothing about us without us"  
"Lehumo Le Tšwa Tšhemong"  
"Hu duba buse"  
"Xandla famba Xandla vuya" and  
"n Boer maak n plan" slogans in our daily activities as we move "From Farming to Agricultural Industrial Development" through the value chain.

**Summary of payments and estimates per programme: Agriculture R thousand**

Programme 1: Administration

Medium-term estimates

2008/09: 223 436  
2009/10: 267 442  
2010/11: 314 345

R thousand

Programme 2: Sustainable Resource Management

Medium-term estimates

2008/09: 126 746  
2009/10: 148 273  
2010/11: 172 203

R thousand

Programme 3: Farmer Support and Development

Medium-term estimates

2008/09: 594 774  
2009/10: 706 962  
2010/11: 788 349

R thousand

Programme 4: Veterinary Services

Medium-term estimates

2008/09: 17 593  
2009/10: 20 868  
2010/11: 23 321

R thousand

Programme 5: Technology Research and Development

Medium-term estimates

2008/09: 30 394  
2009/10: 35 621  
2010/11: 34 037

R thousand

Programme 7: Structured Agricultural Training

Medium-term estimates

2008/09: 35 956  
2009/10: 42 876  
2010/11: 47 060

Total payments and estimates

2008/09: 1 042 252

2009/10: 1 237 989  
2010/11: 1 396 205

Summary of provincial payments and estimates per economic classification:

Agriculture

R thousand  
Current payments

Medium-term estimates  
2008/09: 737 265  
2009/10: 878 229  
2010/11: 967 037

R thousand  
Compensation of employees

Medium-term estimates  
2008/09: 596 602  
2009/10: 626 930  
2010/11: 658 321

R thousand  
Goods and services

Medium-term estimates  
2008/09: 140 663  
2009/10: 251 299  
2010/11: 308 716

R thousand  
Transfers and subsidies to

Medium-term estimates  
2008/09: 30 314  
2009/10: 36 680  
2010/11: 41 448

R thousand  
Departmental agencies and accounts

Medium-term estimates  
2008/09: 28 145  
2009/10: 29 692  
2010/11: 31 474

R thousand  
Public corporations and private enterprises

Medium-term estimates  
2008/09: 147

2009/10: 355  
2010/11: 567

R thousand  
Non-profit institutions

Medium-term estimates  
2008/09: 50  
2009/10: 100  
2010/11: 140

R thousand  
Households

Medium-term estimates  
2008/09: 1 972  
2009/10: 6 533  
2010/11: 9 267

R thousand  
Payments for capital assets

Medium-term estimates  
2008/09: 274 673  
2009/10: 323 080  
2010/11: 387 720

R thousand  
Building and other fixed structures

Medium-term estimates  
2008/09: 86 670  
2009/10: 106 938  
2010/11: 150 386

R thousand  
Machinery and equipment

Medium-term estimates  
2008/09: 90 029  
2009/10: 102 535  
2010/11: 113 129

R thousand  
Software and other intangible assets

Medium-term estimates  
2008/09: 3 871  
2009/10: 5 314  
2010/11: 4 395

R thousand  
Land and subsoil assets

Medium-term estimates  
2008/09: 94 103  
2009/10: 108 293  
2010/11: 119 810

Total economic classification  
2008/09: 1 042 252  
2009/10: 1 237 989  
2010/11: 1 396 205

Issued by: Limpopo Provincial Government  
28 May 2008  
Source: Department of Agriculture, Limpopo Provincial Government  
(<http://www.lda.gov.za>)